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RUEHCV/AMEMBASSY CARACAS 2040
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RUEHMN/AMEMBASSY MONTEVIDEO 4351
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SUBJECT: CHILE MEDIA REPORT - APRIL 13

Leading Stories

1. Final figures are not yet in, but Holy Week holiday is expected to leave close to US\$200 million in profits for the tourism industry. Market analysts say that Chile's forestry and retailing sectors are most vulnerable to the economic crisis.

U.S.-Related News

2. Editorial on IPR: "Just a few weeks before the USG puts together the list of countries that don't respect IPR, the U.S. Trade Representative's Office expressed concern over the application and protection of these rights in Chile.... This contradicts what Chile has done in the years to assure the protection of IPR.... In January 2008, the GOC created the IPR Investigations Brigade... which in addition to investigating these crimes is responsible for prevention programs.... In October, the Senate ratified the Patent Cooperation Treaty (PCT).... The impression is that the U.S. Trade Representative's Office has not taken into account the progress that Chile has made in this area (El Mercurio, conservative, influential newspaper-of-record, circ. 129,000, 4/12)

3. The United States published the norm that permits the entry of Chilean grapefruits and oranges into its market. Agriculture Minister Marigen Hornkohl highlighted the positive impact of this decision on unemployment (La Tercera, conservative, independent, circ. 101,000, 4/9).

4. Three weeks ago the local authorities seized 1.1 tons of ephedrine in route to Mexico. The Metropolitan Prosecutor's Office is investigating the case and has asked the Drug Enforcement Agency (DEA) for its assistance to identify the woman who supervised the operation. The DEA estimates the value of the confiscated chemical at US\$13.2 million. Chile has a norm which obligates them to report transactions and transportation of ephedrine. However, there is no legal sanction for not complying with this norm (La Tercera, 4/11).

5. "Chile is not a passage," in the sense that it is not regularly used by narcotics organizations, said Manuel Guerra, the Chief of the Narcotics Unit in the Office in National Prosecutor. However, he said, Chile's long border, large number of uninhabited border crossings and its open economy make it especially vulnerable for specific operations (El Mercurio, 4/11).

6. Jeffrey Davidow, President Obama's delegate to the Summit of the Americas (SOA), was a political officer of the U.S. Embassy in

Santiago from 1971-74. Declassified documents by the United States in 1999, show that Davidow was well aware of the human rights situation in Chile after the military coup and reported about it to his superiors. In one document, Davidow informs the military junta of the USG's position in this matter: "It's not the desire of the U.S. government to relate the issue of human rights to economic and military assistance" he wrote (La Nacion, government-owned, editorially independent, circ. 4,200, 4/12).

¶7. Local wheat producers have asked government authorities to set a marketing order to restrict the import of the product into Chile. Almost all locally employed wheat is imported (El Mercurio, 4/13).

¶8. Weekly round-up column: "Barack Obama's decision to finish his first trip abroad... with a visit to Iraq was a significant gesture... which confirmed his commitment to the U.S. military withdraw from Iraq, but also reminded Iraqis that that they are responsible for their country's stability" (El Mercurio, 4/13).

¶9. Raul Sohr's column: "In Strasburg the U.S. President said, 'The United States is committed to looking for peace and safety in a world without nuclear weapons.' His words imply a change in Washington's national security and points to less dependence on atomic weapons.... It won't be easy to convince powerful nuclear lobbyists that their weapons are no longer necessary, but the mere fact that the U.S. President proclaimed this is already an important political event" (La Nacion, 4/12).

Summit of the Americas - Cuba

¶10. President Obama will try to set up a new alliance with Latin America at the Summit of the Americas, but his reluctance to change his stance on immigration policies and the embargo on Cuba could undermine that effort, said analysts (El Mercurio, 4/13).

¶11. Cuba will be "the most present absentee" at the Summit of the Americas. Over the past six months, dozens of chiefs of state have visited Havana, including Bachelet, in a sign that the isolation of the Castro regime has ended. Now those leaders will ask Obama to lift the economic blockade against the island (La Nacion, 4/12).

¶12. In diplomatic circles it is said that OAS Secretary General Jose Miguel Insulza has plans for Cuba to rejoin the organization. Insulza said the exclusion is unreasonable, when virtually all of the 34 countries in the region have diplomatic ties with Havana, except for Costa Rica, El Salvador, and the United States (La Tercera, 4/13).

Regional affairs

¶13. Bachelet will hand her pro-tempore presidency of the Union of South American Nations (UNASUR) to Ecuador in a few weeks. This means the Chilean President is about to fail in her commitment to find a consensus candidate to chair the regional organization (El Mercurio, 4/12)

Local politics

¶14. The array of think tanks preparing proposals for presidential candidate Eduardo Frei's programming team concur on the topics to be included in the campaign: more investment in education and health, innovation on energy, and according to "Instituto Igualdad," an in-depth analysis of nuclear energy (El Mercurio, 4/12).

¶15. Bachelet will visit The Hague at the end of May and will visit the International Criminal Court (ICC) if the Chilean Congress has ratified the court by then (El Mercurio, 4/10).

Energy

¶16. The government's plans to diversify the energy matrix are beginning to yield results. A total of US\$20.77 billion worth in projects have been submitted for the Central Interconnected System (SCI) alone. Of this total, almost 10% are for the construction of eolic parks (America Economia Magazine, March 9).

Indigenous conflict

¶17. Eleven individuals who ambushed and injured prosecutor Mario Elgueta and five policemen in Tirua in October of last year were taken into custody. They all belong to the Mapuche organization "Coordinadora Arauco Malleco" (CAM) and will remain in prison for the duration of the investigation. They face charges for frustrated homicide and terrorist association with the intent to commit illegal activities (El Mercurio, 4/12).

¶18. Yesterday individuals burned down two summer homes in the area of Tirua, presumably in retaliation for the arrest of 11 CAM members (El Mercurio, 4/13).

SIMONS